

ARMY
CENTRAL INTELLIGENCE
AGENCY
WASHINGTON, D.C.
15 JAN 1961

14 JAN 1961

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COPY OF

PLV TO
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REHBAC-9

SUBJECT: Billing Rates on AF Contracts

To: Itek Laboratories
ATTN:
Asst. Controller
Lexington, Mass.

STAT

1. Reference your letter dated 2 June requesting approval of revised billing rates for the period 1 Apr. 61 to 30 Sep 61. Your proposed rates, as follows, are considered acceptable for billing purposes for the period requested:

Engineering Overhead	150%
G&A Expense	1%
Special Equipments	16%
Palo Alto Overhead	120%

2. These rates are qualified to the extent that the Government reserves the right to adjust any or all of these rates which Audit discloses to be inequitable. This qualification is necessary as the Contractor has not had sufficient experience since the formation of Itek Laboratories.

3. It is contemplated that a review of your records will be made after three (3) months' experience.



cc: AF Audit
M. Zale

STAT

CSA-4300-65
#1724

REPLY TO:
Audit Liaison Office
P. O. Box 8155
S. W. Station
Washington, D. C.

15 November 1965

SUBJECT: Advisory Report of Final Audit of CPTF Task Order
Itek Corporation
Newton, Massachusetts
Task Order No. 2 to Contract BB-425

TO : Contracting Officer

1. This is the final audit report for Task Order No. 2 to Contract BB-425 dated 30 June 1961. The Task Order required the contractor to conduct a complete engineering design study in two phases directed toward the development of a viewer capable of employing high resolution photography with a minimum degradation. The task order was terminated on 5 April 1962 in its entirety for the convenience of the Government after completion of Phase I. The contractor submitted all documents pertaining to this Task Order as for a completed Task Order. The auditor takes no exception to this submission.

2. The Task Order provided for estimated costs of \$89,033 and fixed fee of \$7,258 totaling \$92,291.

3. The contractor submitted the following documents to effect closing of the Task Order. They are:

- a. Final cost summary and certificate
- b. Contractor's release
- c. Contractor's assignment of refunds, rebate and credits.
- d. Certification of percentage of completion of Task Order.
- e. Inventory schedule (DD Form 543) required in terminations.
- f. Report of inventions and subcontracts
- g. Check payable to Treasurer of the United States for \$1,399.74 representing the difference between the amount billed by the contractor and the amount claimed as costs incurred plus the portion of the fixed fee.

4. The results of audit follow:

	<u>Per Contractor</u>	<u>Per Auditor Costs Accepted</u>
Costs	\$29,964.83	<u>\$29,964.83</u>
Fee	<u>2,685.00</u>	
Total claimed	<u>\$32,649.83</u>	

5. Comment on Fixed Fee:

The contractor calculated the Fixed Fee at 37% of the total fee of \$7,258 shown in paragraph 2 above. The 37% represents the percentage of completion as certified by the contractor. It is to be noted that the ratio of costs incurred (\$29,964.83) to total costs (\$85,033) estimated in paragraph 2 above is 35.2%.

7. Allowable costs were determined in accordance with Sections VIII and XV, Armed Services Procurement Regulation and other terms of the contract.

7. There are no unclaimed wages, unclaimed deposit, unrepresented checks or known potential credits or refunds.

8. There are no known charges outstanding against the contractor for any loss, damage, or destruction of Government Property.

SIGNED



Auditor General Representative

STAT

SECRET
(When Filled In)

400 -il
CM -

PRECONTRACT APPROVAL RECORD (PART ONE)	CONTRACTOR Itek Corp.		CONTROL NO. COR 2666 Copy 2 of 3	
	CONTRACT NO. BB 425, T.O. #2		AMENDMENT NO.	
<p>THIS CONTRACT APPROVAL RECORD CONTAINS A RECOMMENDATION SUBMITTED FOR CONCURRENCE OF THE UNDERSIGNED. CONCURRENCE IN THIS PRECONTRACT APPROVAL RECORD IS RECOMMENDED BY THE CONTRACTING OFFICER. BY CONCURRENCE, THE CHIEF, BUDGET AND FINANCE BRANCH, SIGNIFIES THAT SUFFICIENT FUNDS ARE AVAILABLE (NOT INCLUDING CONTINGENT & EXPOSURE) AND/OR HAVE BEEN ADJUSTED AS PROVIDED IN THIS DOCUMENT.</p>				
TYPE OF CONTRACT				
<input type="checkbox"/> L.I. <input type="checkbox"/> F.P. REDETERM <input type="checkbox"/> CPIF <input type="checkbox"/> TECH REP <input type="checkbox"/> DEFINITIZED <input type="checkbox"/> FPIP <input type="checkbox"/> T&M <input type="checkbox"/> FISCAL YEAR <input type="checkbox"/> F.P. <input checked="" type="checkbox"/> CPFF <input type="checkbox"/> CALL TYPE				
FINANCIAL DATA				
CONTRACT VALUE \$ 32,649.83 Final		PREVIOUS OBLIGATION - PRIOR FY \$ 92,291.00		PREVIOUS OBLIGATION - CURRENT FY \$ -0-
OBLIGATION BY THIS DOCUMENT				
DESCRIPTION, PROGRAM OR LINE ITEM		FISCAL YEAR	PROJECT	AMOUNT
NPIC - Acct. No. 1155- 1010-7000-730		1961	CORONA	\$ (59,641.17)
NET DECREASE				
TOTAL THIS OBLIGATION				\$ (59,641.17)
CONTINGENT UPON AVAILABILITY OF FUNDS				
EXPOSURE LIABILITY				
RATE		DATE	RATE	DATE
CPFF O/H RATES FIXED THRU			PRICING FORMULA FIXED THRU	
T&M RATES FIXED THRU			TECH REP RATES FIXED THRU	
NEGOTIATOR APPROVAL		CD RECORDATION		
<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; width: 100px; height: 30px; margin-right: 5px;"></div> <div style="text-align: center;"> SIGNED DATE 11/16/65 </div> </div>		<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; width: 100px; height: 30px; margin-right: 5px;"></div> <div style="text-align: center;"> SIGNED DATE 11/17/65 </div> </div>		
PRECONTRACT CONCURRENCES				
UNIT	TYPED NAME	SIGNATURE		DATE
CONTRACTING OFFICER		SIGNED		11/18/65 25X1
BUDGET & FINANCE		SIGNED		11/24/65
GENERAL COUNSEL		SIGNED		11/29/65
TECHNICAL REPRESENTATIVE				
TECHNICAL REPRESENTATIVE				
CONTRACT SIGNATURE (Contracting Officer)		DATE	DATE MAILED	DATE DISTRIBUTED
				29 Nov. 65

SECRET

PRECONTRACT APPROVAL RECORD
(PART TWO)

CONTRACT

BB-425, T.O. #2

The services and equipment being procured by this Contract No. BB-425, T.O. #2 are in furtherance of the CORONA Program(s), the nature of which cannot be publicly disclosed for security reasons. The Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC 2122, signed by the DDCI on 15 October 1961.

Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the terms and provisions generally of this contract/amendment, and a resume of major issues negotiated:

1. Task Order No. 2/BB-425 was written to cover a study and engineering design of a High Performance Rear Projector Viewer for NPIC. It was terminated for the convenience of the Government upon completion of Phase I. Final costs were audited and accepted at a total of \$29,964.83. An equitable adjustment of fee was allowed at \$2,685 for a total of \$32,649.83.

2. The Contractor has submitted the following:

1. Final Release
2. Assignment of Refunds, Rebate and Credits
3. Certification of Completion
4. Inventory Schedule
5. Report of inventions and subcontracts
6. Check in amount of \$1,339.74 representing the difference between the amount billed and amount claimed as costs plus portion of fixed fee.

3. Residual inventory will be picked up and returned to Govt. Storage for possible use.

4. All work was satisfactorily performed.

Proj:	N. P. I. C.
Code:	1155-1010-7000
MOR :	00 00 31
Amt :	(459,641.17)

REPORT OF INVENTIONS AND SUBCONTRACTS
(Pursuant to "Patent Rights" Contract Clause)Form Approved
Budget Bureau No. 22-R160**INSTRUCTIONS TO CONTRACTOR**

This form may be used for INTERIM and FINAL reports, and when used shall be completed and forwarded to the Contracting Officer in triplicate.

An INTERIM report shall be submitted at least every twelve months, commencing with the date of the contract, and should include only those inventions and subcontracts for which complete information has not previously been reported.

A FINAL report shall be submitted as soon as practicable after the work under the contract is complete and shall include (a) a summary of all inventions required by the contract to be reported, including all inventions previously reported and any inventions since the last INTERIM report; and (b) any required information for subcontracts which has not previously been reported.

1. NAME AND ADDRESS OF CONTRACTOR

Itek Corporation
10 Maguire Road
Lexington, Massachusetts 02173

2. CONTRACT NUMBER**3. TYPE OF REPORT (check one)**☐ a. INTERIM ☒ b. FINAL**SECTION I - INVENTIONS ("Subject Inventions" required to be reported by the "Patent Rights" clause)****4. INVENTION DATA (check one)**☒ a. THERE WERE NO INVENTIONS WHICH REASONABLY APPEAR TO BE PATENTABLE☐ b. LISTED BELOW ARE INVENTIONS WHICH REASONABLY APPEAR TO BE PATENTABLE. ANY INVENTION DISCLOSURES WHICH HAVE NOT BEEN PREVIOUSLY SUBMITTED TO THE CONTRACTING OFFICER ARE ATTACHED TO THIS REPORT.

(i) NAME OF INVENTOR	(ii) TITLE OF INVENTION	(iii) PATENT APPLICATION SERIAL NUMBER AND CONTRAC- TOR'S DOCKET NO.	(iv) CONTRACTOR HAS FILED OR WILL FILE U.S. PATENT APPLICATION		(v) CONFIRMATORY LICENSE OR ASSIGNMENT HAS BEEN FORWARD- ED TO CONTRAC- TING OFFICER	
			YES	NO	YES	NO

SECTION II - SUBCONTRACTS (Containing a "Patent Rights" clause)**5. LISTED BELOW IS INFORMATION REQUIRED BUT NOT PREVIOUSLY REPORTED FOR SUBCONTRACTS. (If not applicable, write "None".)**

(i) NAME AND ADDRESS OF SUBCONTRACTOR	(ii) SUBCONTRACT NUMBER	(iii) DATE CLAUSE FURNISHED TO CON- TRACTING OFFICER	(iv) DATE SUBCONTRACT COMPLETED
NONE			

SECTION III - CERTIFICATE

CONTRACTOR CERTIFIES THAT THIS REPORT OF INVENTIONS AND SUBCONTRACTS INCLUDING ANY ATTACHMENTS, IS CORRECT TO THE BEST OF THE CONTRACTOR'S KNOWLEDGE AND BELIEF.

DATE **6-24-65** NAME AND TITLE OF AUTHORIZED OFFICIAL (Print or Type) **Director**
Patents and Licensing

DD FORM 882
1 NOV 55

GPO 22110